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UNCLAS SECTION 01 OF 02 PORT OF SPAIN 000550

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SAN JOSE FOR ENVIRONMENTAL HUB

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TAGS: [SENV](#) [ECON](#) [EINV](#) [ETRD](#) [TD](#)

SUBJECT: T&T ENVIRONMENTAL LEADER CALLS FOR BALANCED DEVELOPMENT

REF: PORT OF SPAIN 358

SENSITIVE BUT UNCLASSIFIED - PROTECT ACCORDINGLY

**¶11. (SBU) SUMMARY:** Environmental expert Dr. John Agard, in recent remarks, called for a greater balance between economic development, environmental safety and a healthy society. He praised the increased transparency and public engagement stemming from environmental legislation passed in 2000-2001, but bemoaned a lack of subsequent progress on new environmental rules. Agard also voiced frustration over the absence of "easy" incentives for recycling and renewable energy and encouraged consumers to be proactive in promoting sustainable development. END SUMMARY.

**¶12. (U)** Dr. John Agard, former Chairman of T&T's Environmental Management Authority (EMA) and a member of the international group that produced the Fourth Assessment Report of the Inter-Governmental Panel on Climate Change (IPCC), commented on the state of T&T environmental regulation during a November 5 conference on globalization organized by the American Chamber of Commerce. The event was attended by business leaders and students and well covered in the press. Agard used the conference as an opportunity to lay out his environmental vision for Trinidad.

Development should be balanced, not limited

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**¶13. (U)** Agard emphasized the need to lessen economic and social pressures on the environment in order to preserve T&T's natural resources and quality of life. The argument that strong environmental regulation would stop development is false, though. Far from being a hindrance to growth, Agard stated regulation could lessen the hidden environmental and social costs of needed industrial development.

Three approaches to managing environmental impact

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**¶14. (U)** Command and control, economic incentives, and corporate responsibility may lessen negative environmental impacts in T&T, according to Agard. To date, the GOTT approach to the environment has emphasized command and control, which entails significant enforcement challenges.

**¶15. (U)** Explaining further, Agard related that prior to the year 2000, environmental regulation consisted of a "myriad of useless laws" accompanied by "minuscule" fines. In 2000, T&T enacted the Environmental Management Act and in 2002 began requiring listed types of projects to obtain a Certificate of Environmental Clearance (CEC) from the EMA through a process involving substantial public consultation. Also in 2001, the GOTT adopted rules on noise, environmentally sensitive areas, and environmentally sensitive

species. That same year, the EMA tabled water rules which, according to Agard, the GOTT resisted until a court decision brought them into effect in 2007. Agard observed, however, that no further environmental laws have been passed in T&T in the last 5 years, while rules for air pollution and solid waste have been drafted but not yet adopted. While not taking a stand on specific projects, Agard said public consultations under the Environmental Management Act have helped empower environmentalists and others with the information needed to challenge EMA decisions in court, such as the decision to grant a CEC to the Alutrint aluminum smelter. (Note: Alutrint is 60% owned by GOTT and 40% owned by Venezuela's Sural. The government of China provided USD 400 Million to finance the project's construction by a Chinese contractor. Alutrint plans to produce aluminum for local downstream industries as well as auto manufacturers. End note.)

¶16. (U) Agard called on the GOTT to complement its command and control approach with tax breaks for businesses who adopt environmentally responsible practices, and economic incentives for recycling of glass bottles and used tires. He voiced frustration at the recent announcement that the GOTT has decided to abandon a draft bottle bill that has been in the works for years. He encouraged AmCham to advocate for these measures. Corporations in T&T should pursue a "triple bottom line," including profit, contributions to society, and positive impacts on the environment.

¶17. (U) Agard also called on private industry, as well as the GOTT, to pursue renewable forms of energy. Since GOTT is receiving record levels of income from the oil and gas industry, now is the time to invest in renewable energy technology. T&T's oil and gas will run out eventually. T&T should capitalize on its abundant solar and wind resources. (Note: The GOTT's FY-2009 budget includes

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incentives for drivers to equip their vehicles with compressed natural gas tanks to reduce gasoline consumption. The budget also increased the price of premium gasoline, and GOTT has subsequently floated a proposal to end the fuel subsidy by 2011. End Note)

Public pressure is Key

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¶18. (U) Agard asked for those in attendance to exert pressure on private companies and the government. As consumers and voters they can participate in reducing negative impacts on the environment. After his speech, Agard took questions from local high school students. These focused on the proposed Alutrint smelter project and renewable energy. Agard again stressed the importance of not limiting development but instead finding a healthy balance. He emphasized the value of a positive environmental and social state and encouraged those in attendance to consider quality of life in addition to GDP per capita when evaluating the success of T&T.

¶19. (SBU) Conference attendees expressed dissatisfaction with the government's ability to achieve a balance between economic development, environmental safety, and a healthy society. Several attendees called for greater agricultural production to alleviate high food prices, and a decrease in industrial projects (e.g., Alutrint) to protect the environment. Agard stressed that responsible economic and industrial development is possible with a balanced strategy and active public participation.

Comment: A Voice of Moderation

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¶10. (SBU) In recent years, the debate over sustainable development here has pitted the GOTT and foreign investors against a homegrown anti-globalization-style opposition to new industrial projects. Agard's is a voice of moderation in this polarized atmosphere, and his participation in the Nobel Prize-winning IPCC gives his views some weight in T&T. With the GOTT grappling with environmental issues in international fora, including in its role as host of the upcoming Summit of the Americas and the Commonwealth Heads of Government Meeting, Agard's comments underscore that domestic environmental policy is lagging.

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